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C O N F I D E N T I A L SECTION 01 OF 02 MOSCOW 004910

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E.O. 12958: DECL: 10/05/2017 TAGS: <u>PREL PGOV PINR KDEM RS</u>

SUBJECT: DUST SETTLES ON PUTIN'S SURPRISE ANNOUNCEMENT

REF: MOSCOW 4833

Classified By: Ambassador William J. Burns. Reasons 1.4.(B/D).

Summary

11. (C) Putin's October 1 announcement that he will head the pro-Kremlin United Russia (YR) party list (reftel) has been portrayed by the opposing Kremlin party's Chairman Sergey Mironov as proof that YR had gone into receivership, and had to be bailed out by the President. In a meeting with the Ambassador after the announcement, Duma Deputy Aleksandr Lebedev seemed to take the news of Putin's potential premiership in stride and guessed that unspecified assurances by Putin had buoyed Mironov, whom he had seen before his feisty October 4 press conference. The President's dramatic decision seems to have generated little overt blowback here, with most observers persuaded in advance that more of Putin was either a well-deserved encore or an outcome to be expected from a leader increasingly convinced that the country cannot live without him. End summary.

Making Sense of the Maneuvering

- 12. (C) Contacts with whom we have spoken in the days since Putin's announcement were more self-assured in explaining the events of October 1, less certain on what might happen next in a political space that has had much of the information sucked out of it. Mercator President Dmitriy Oreshkin summed up the sentiments of many in guessing only that Putin would remain in government in some capacity. Russia, he said, had overnight become a country with an unpredictable present and future, in addition to its traditionally unpredictable past.
- 13. (C) Putin's decision to temporarily ally himself with YR was understood both as an effort to win a popular mandate that he could point to in asserting, both to skeptics in Russia and outside the country, that he had a kind of democratic legitimacy. Were he to be simply appointed prime minister, he could be seen as clinging to power. As the head of a party that won 60 percent of the vote, he could claim a mandate to rule. Oreshkin thought that electoral mathematics had forced Putin's hand. He noted that YR had won less than 45 percent of the vote in the March regional elections, even with strenuous efforts by regional elites, and Putin need a constitutional majority in the new Duma, either to amend the Constitution in order to shift power to the premiership, or to create a power base for himself outside the government.
- 14. (C) The President's decision to head the party list, but not join the party itself, allowed Putin to claim that he was not part of the horsetrading that voters associate with party life. It also maintained a fine, but important distinction for traditional voters, who expected the President to preside over the country but not be a part of it. Remaining above the

party allowed Putin to avoid accepting responsibility for the party's track record when in office.

- ¶5. (C) All of the prerequisites for a seamless tradition from Putin President to Putin Premier seem to be in place. He has an aging and compliant Prime Minister who could become either acting or elected President and is all but certain to win a popular mandate in the Duma elections. Still, in the view of some, their remains an element of uncertainty that argues for Putin returning to the Kremlin, and that is the amount of power wielded by the President. In a system so lacking in stabilizing institutions that the Kremlin can see in Garry Kasparov's Other Russia a potential Orange Revolution, it is possible for Putin to suspect that his harmless friend Viktor Zubkov, or the advisers who would materialize around him, might not relinquish power once they have it.
- 16. (C) With Zubkov's appointment and Putin's announcement, there is much speculation that the sun for now seems to be setting on possible successors Sergey Ivanov and Dmitriy Medvedev. Some observers suggest that they may find themselves now scorned by their biggest booster --Putin--because of their inability to make themselves into credible candidates after near nightly visits to Russians' living rooms. Clan ethics make it unlikely that either will be ousted, at least immediately, and the sheer unpredictability of the process does not exclude a comeback for either as the succession scenario advances.

A Confident Putin

17. (C) Duma Deputy Aleksandr Lebedev told the Ambassador October 3 that he had seen Putin about three weeks ago, and

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found him "very confident." The President seemed at ease as he teased Lebedev about his prickly relationship with Moscow Mayor Luzhkov, and gave Lebedev the greenlight to continue to complain about the way that the city is administered. Putin animatedly discussed Lebedev's ideas for unsnarling Moscow's traffic, and seemed very interested in legislation the Deputy had proposed on plea bargaining and affordable housing. Lebedev saw Putin's interest in these nuts-and-bolts issues as evidence that a possible stint as prime minister was under consideration.

- 18. (C) Lebedev claimed as well to have seen Mironov immediately after the Just Russia Chairman's meeting with Putin and before his October 4 press conference. Mironov was very self-confident; Lebedev guessed he must have received assurances from Putin. (Some of the media read significance, however, into the fact that the meeting was given little publicity by the Presidential Administration.) Lebedev disagreed with Mironov's assertion that Just Russia, not the Communist Party, would make it over the seven-percent barrier to the Duma. The Communists were "disciplined, a real party," Lebedev noted.
- 19. (C) Lebedev was complaisant about Putin's October 1 announcement, even alleging that he had expected it. His unruffled reaction tracked with other conversations the Ambassador has had this week, suggesting that the possibility of a sharply negative reaction among the elites is unlikely.

Comment

110. (C) Although a month ago virtually no one would have predicted that Putin would head United Russia's list and Prime Minister Zubkov would be talking pension in Penza, the calendar is a fixed variable, and with each successive day, the possibilities for further such maneuvering are reduced, and the outlines of the endgame should become clearer. Burns